



March 14, 2022

The President
The White House
Washington, DC 20500

Dear Mr. President,

At the State of the Union, you [promised](#) to “use every tool” to protect American businesses and consumers from the impact of sanctions on Russia. With American consumers already reeling from higher energy costs – near historic highs even before the Russian invasion – those tools are more necessary than ever. These higher costs are largely the result of policies adopted by your administration to discourage the discovery, production, and transportation of oil and gas here in the United States. On behalf of our millions of activists across the country, we urge you to reverse those policies and instead unleash our energy sector for the sake of our economy and national security.

From blocking the Keystone XL pipeline to banning new oil and gas development on federal lands, the actions of your administration have curbed critical energy investment and development, with dire consequences. Just two years ago, the EIA reported that the U.S. had become the world’s top producer of oil and natural gas. Today, we are having to go hat in hand to Saudi Arabia, Iran, and Venezuela asking them to increase production. Given our abundant resources here at home, we should never be at the mercy of unreliable foreign energy sources.

Yet when asked recently what you could do about rising gas prices, you responded, “Can’t do much right now.” Respectfully, we disagree. Your administration could take immediate steps to reverse the policies that have contributed to the high gas prices, home heating costs, and other energy-related expenses. Doing so would put us on the path to energy security and ensure we are never in this position again. To that end, we encourage you to:

- **Support development of American resources and ways to transport it safely.** To increase supply and reduce prices, the administration should reverse its decisions to halt new oil and gas leases on federal land and in the Alaska National Wildlife Refuge. It should also approve pipelines as part of a robust plan to increase supply from friendly sources and move that supply to where it is needed. Additionally, the administration should maintain certain regulatory reforms made by the previous administrations. For example, there is no need to rewrite standards for particulate matter (dust, dirt, soot, and smoke) and ozone. Particulate matter has declined by about 40 percent with the current

standard. Unnecessarily ratcheting down these standards would be costly and create new barriers for energy project permits. Likewise, the administration's plan to replace current Endangered Species Act regulations with more restrictive ones would increase red tape and invite more litigation – all of which slow down or discourage new energy projects.

- **Approve the Keystone XL Pipeline.** Keystone would have provided the U.S. with heavy oil that Gulf Coast refineries need. That is especially important as supplies of heavy oil from Mexico have declined and supplies from Venezuela have dried up completely because of sanctions. Unable to move more oil from Canada, refiners have had to turn to Russian heavy oil to fill the gap. Had we approved and built Keystone, most if not all of that Russian oil could have been replaced by Canadian oil. Furthermore, the Keystone pipeline cancellation, along with administration decisions to restrict leasing, make permitting natural gas pipelines and terminals almost impossible. It takes years to bring energy projects online and many more before they are profitable. Energy companies are disincentivized by this hostile regulatory environment and are understandably holding off on new investments. Approving the Keystone pipeline now would send a clear signal to investors that the U.S. is back open for business.
- **Push Congress to repeal the unnecessary and costly Jones Act.** The Jones Act is a century old protectionist measure that restricts domestic shipping of goods only to vessels that are U.S.-flagged, U.S.-built, and mostly U.S.-crewed and owned. The result is that there are no American vessels capable of transporting liquified natural gas (LNG) from the Gulf Coast to cities like Boston. Instead, New England's LNG comes from other countries, including Russia. America has become the world's largest LNG exporter, but because of this absurd policy we aren't capable of shipping it from one state to another.
- **Abandon new EPA regulatory proposals that are discouraging investment and increasing costs.** The EPA [announced](#) new regulations governing methane emissions from oil and gas production, transmission, storage, and distribution that will cost more than \$1 billion a year. They will [worsen energy poverty](#) and reestablish burdensome regulations, having a disproportionate impact on small businesses. The [Clean Power Plan 2.0](#), which the administration continues to advocate, would [impose](#) burdensome rules for little environmental benefit.

Just because these policies aren't in effect doesn't mean they aren't having an impact. These administrative threats can stop new energy investment in its tracks – and that's exactly what they are doing. We have not seen investment in American energy sources because this administration's policy agenda makes it crystal clear that those investments will be punished.

- **Take government ESG policies off the table.** Unleashing American energy innovation does not mean breaking with the White House's priorities. Rather, it is the only path towards fulfilling them. The administration is rightly concerned with underinvestment in new energy production, which drives up prices. At the same time, financial regulatory agencies are discouraging new energy investment in favor of "climate risk" and environmental priorities that fall outside their purview. So long as the Securities and

Exchange Commission, Office of the Comptroller of the Currency, Financial Stability Oversight Council and other agencies attempt to impose an “ESG” agenda on financial markets, institutional investors and business leaders will hesitate to take the bold steps necessary for energy abundance and security. Markets are already reconsidering narrowminded “ESG” policies and energy underinvestment on their own, but reassurance from the White House that financial regulation will not discourage energy investment will give them the confidence to fully change course.

- **Embrace a true “all-of-the-above” approach by removing barriers to all forms of energy.** Red tape does not just inhibit oil and gas projects, but also nuclear, wind, solar, and geothermal energy. All largescale projects must currently navigate a byzantine federal permitting process under the National Environmental Policy Act (NEPA), the Clean Water Act, the Endangered Species Act and others. They might also require permits from agencies ranging from the Nuclear Regulatory Commission to the Fish and Wildlife Service. A true all-of-the-above strategy requires streamlining the approval process across the government, so that projects can come online faster. A first step would be to reinstitute the previous administration’s reforms to NEPA, but the present moment calls for deeper structural changes as well. Many environmental advocates now acknowledge that red tape and inflated gas and oil prices contribute nothing to their goals, and in fact obstruct them. While some special interest groups would prefer to keep outdated, excessive regulatory processes in place, the White House now has a perfect opportunity to place the interests of all Americans ahead of those of the few.

As our grassroots activists would attest, the current energy crisis demands a radical rethinking of the administration’s current energy policy. Higher energy costs will soon ripple through the economy and increase the price of nearly everything Americans buy. Our country’s innovative genius and abundant resources – traditional and alternative – allow us to be the masters of our own energy fate, but only if we have the courage to seize the moment and remove the barriers that stand in the way. There is no time to wait.

Sincerely,



Brent Gardner
Chief Government Affairs Officer
Americans for Prosperity